



# Organizational Change Management

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# Agenda

- Overview
- Kotter model
- Connor model
- Appreciative Inquiry
- Common threads



# Organizational Change

# What are the Institution's Responsibilities?

- Understand your institution's culture.
- Seek ideas from other organizations and benchmarking comparisons.
- Define the problem necessitating the changes.
- Establish vision and strategy congruence.
- Reaffirm or revise the institution's mission statement to reflect the changes.
- Expect problems, and embrace them as sources of creative resolution.
- Tell people as much as possible as soon as possible – create a “felt” need for change.



# Managing People in a Time of Change and Uncertainty

# What are the Manager's Responsibilities?

- Lead by example
- Be available – Listen
- Be alert to individual reactions
- Provide realistic hope
- Be well-informed about available resources

# Identifying Employees Who May Be “At-Risk”

- Recent traumatic losses
- Spouse/significant other who lost job/is unemployed
- History of depression & self-destructive behaviors
- Isolated from family & social networks - their job is their life
- History of outbursts at work
- Have been previously laid off

# Employee Reactions:

## What You May Observe

- Unusually quiet
- Preoccupied, unable to focus
- Hard to find
- Unresponsive, avoids eye contact
- Lack of interest in activities
- Noticeable weight change
- Constant complaints
- Asking lots of questions
- Unusual forgetfulness
- Mixing up simple tasks/instructions
- Grabbing onto rumors
- “Catastrophizing”
- Inability to concentrate
- Explosive outbursts
- Sarcasm, cynicism
- Head down, task focus



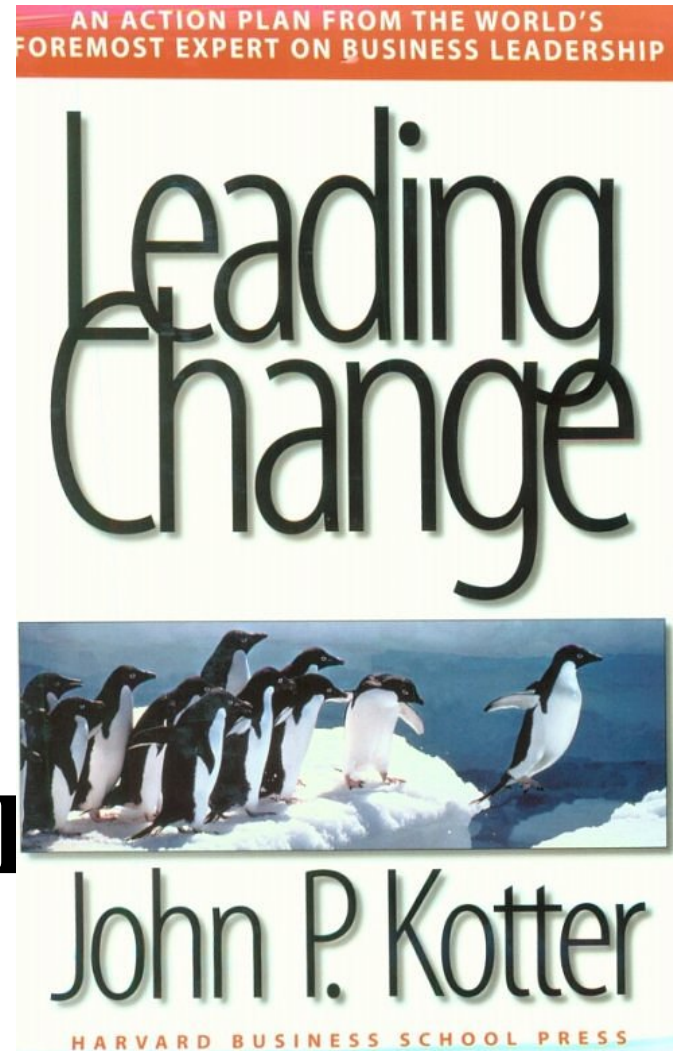
# Employee Reactions:

## What You Can Do

### Intervention Strategies:

- Provide as much information as possible
- Do not make up answers
- Provide structure
- Touch base often
- Listen with patience and empathy
- Acknowledge the pain and loss
- Do not minimize the feelings
- Provide private opportunity to vent
- Acknowledge their anger (don't take it personally)
- Don't feel obligated to agree with them
- Shift focus to things they can do
- Refer to your EAP!!

# KOTTER MODEL



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# The Kotter Model



# Establish a Sense of Urgency

- Examine market and competing realities
- Identify and discuss crises, potential crises, or major opportunities

# Form a Powerful Guiding Coalition

- Assemble a group with enough power to lead the change effort
- Encourage the group to work together as a team

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# Create a Vision

- Create a vision to direct the change effort
- Develop strategies to achieve that vision

# Communicate the Vision

- Use every vehicle possible to communicate the new vision and strategies
- Teach new behaviors using the guiding principles of the vision



# Empower Other to Act on the Vision

- Get rid of obstacles to change
- Change systems or structures that seriously undermine the vision
- Encourage risk taking and nontraditional ideas, activities, and actions

# Plan for and Create Short-Term Wins

- Plan for visible performance improvements
- Create those improvements
- Recognize and reward employees involved in the improvement

# Consolidate Improvements and Produce Still More Change

- Use increased credibility to change systems, structures, and policies that don't fit with the vision
- Hire, promote, and develop employees who can implement the vision
- Reinvigorate the process with new projects, themes, and change agents

# Institutionalize New Approaches

- Articulate the connections between the new behaviors and corporate success
- Develop the means to ensure leadership development and succession

**ERRORS**



# Error 1: Not Establishing a Sense of Urgency

- Underestimating the difficulty of driving people from their comfort zone
- Becoming paralyzed by risk

# Error 2: Not Creating a Powerful Enough Coalition

- No prior experience in teamwork at the top
- Relegating team leadership to an HR, quality, or planning executive rather than to a senior line manager

# Error 3: Lacking a Vision

- Presenting a vision that is too complicated or vague to be communicated in five minutes



# Error 4: Undercommunicating the Vision by a Factor of Ten

- Behaving in ways antithetical to the vision

# Error 5: Not Removing Obstacles to the New Vision

- Failing to remove powerful people who resist the change

# Error 6: Not Systematically Planning for and Creating Short Term Wins

- Leaving short term successes up to chance
- Failing to score successes early enough (no more than 12 months into a major change)

# Error 7: Declaring Victory Too Soon

- Declaring victory with the first small successes
- Allowing resistors to convince “troops” that the war has been won

# Error 8: Not Anchoring the Change into the Corporate Structure

- Not creating new social norms and shared values consistent with the changes
- Promoting people into leadership position who don't personify the new approach

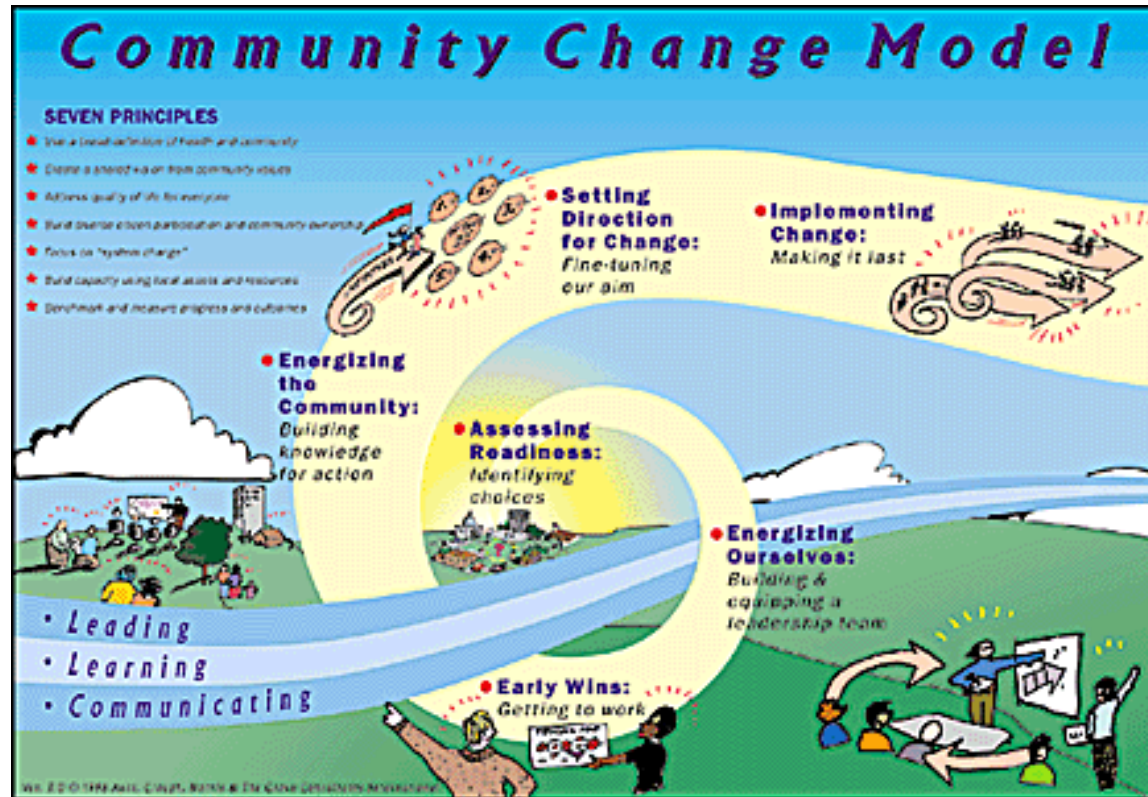
# Key Ideas

- Set the Stage for Acceptance
  - Develop bold message that provide compelling reasons to do things differently
- Frame the Turnaround Plan
  - Develop the plan in terms of helping people interpret the new ideas correctly
- Manage the Mood
  - Strike the right note of optimism and realism to make employees feel cared for while also keeping them focused on the plan's execution
- Prevent Backsliding

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# Activity

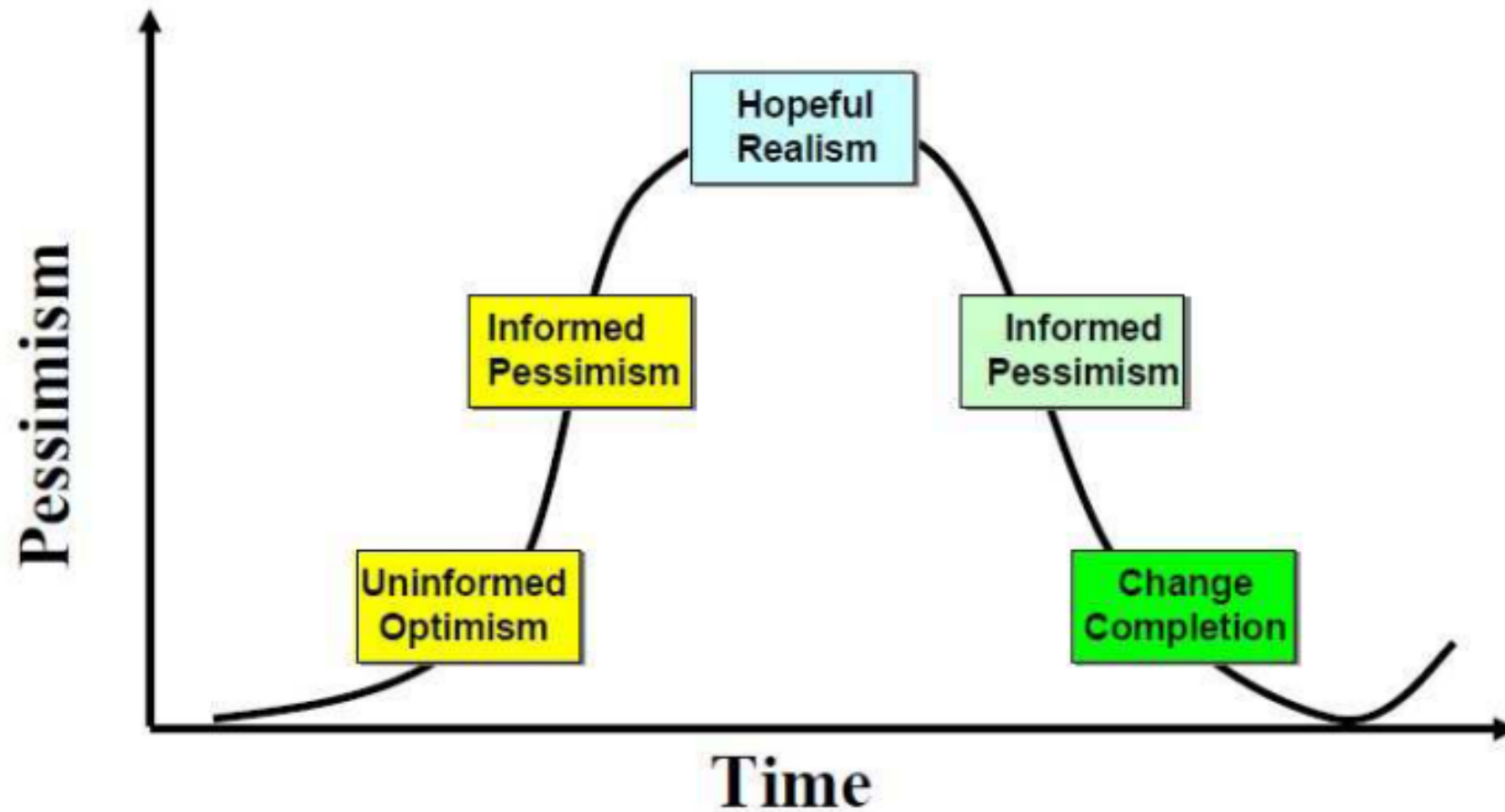
- Break into groups
- Identify a change
- Identify obstacles



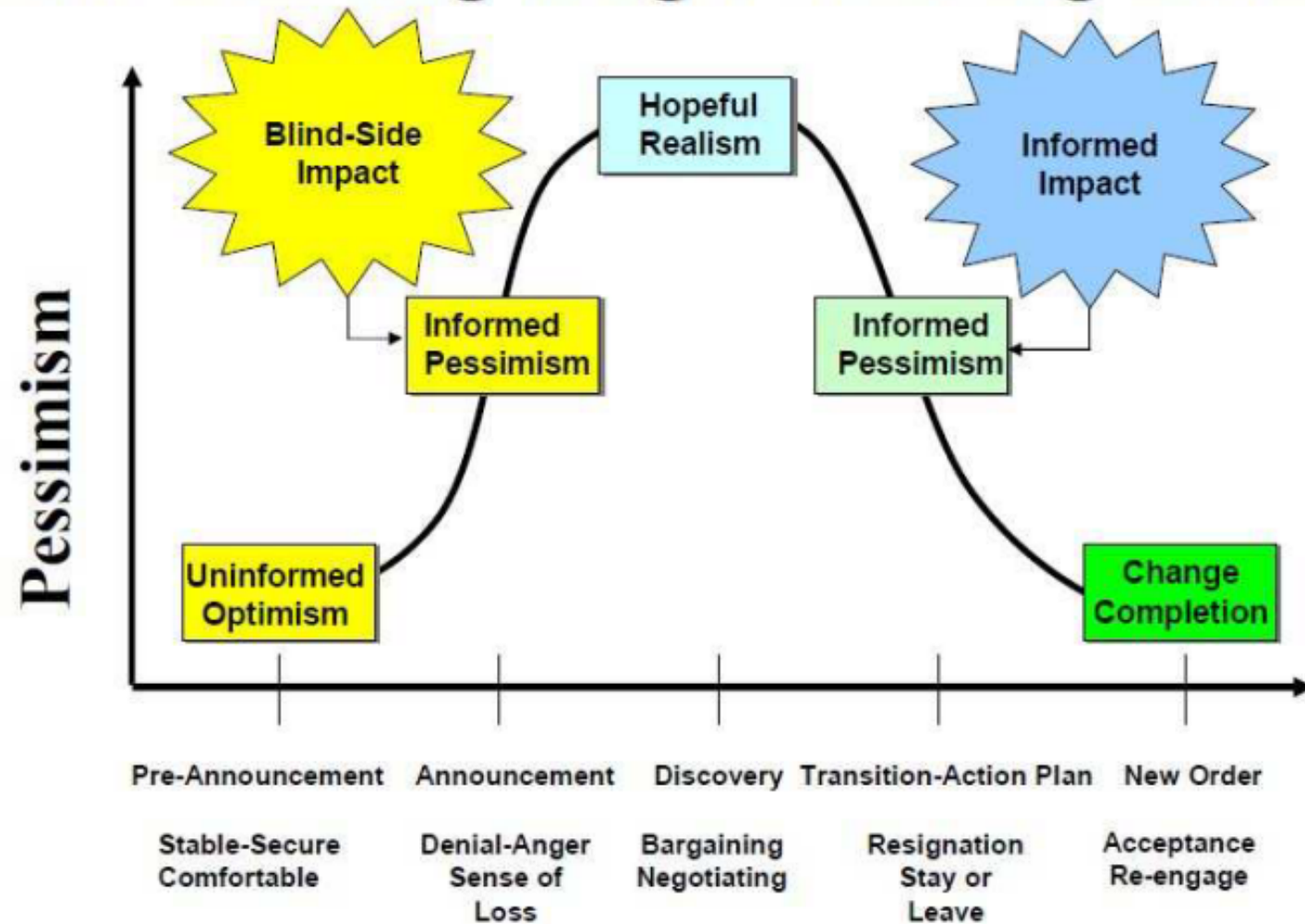
# CONNER MODEL



# Managing Change



# Emotional-Behavioral Response to Restructuring-Merger or Change Efforts



# Myths About Change

- It is impossible to understand why people accept or resist change
- Bureaucracies cannot really be changed
- What leaders say about change should never be confused with reality
- Change will always be mismanaged
- Organizational efficiency and effectiveness inevitably decrease when changes are attempted

# Myths About Change

- Those who help you implement the changes in which you believe are heroes, and those who resist are villains
- Management is inherently insensitive to problems caused during the implementation phase
- Employees are prone to resist any change that is not good for the business

# Thus ...

- Understand that change is not as mysterious as most people think
- Realize that change typically unfolds in a manner that can be recognized and predicted
- Anticipate how you and others will respond during change
- Plan how to implement change

# Thus ...

- Recognize the critical symptoms that can help you guide the change process
- Take specific actions to facilitate progress through the change process
- Help yourself and other people recover more quickly and efficiently from the results of change

# The Price of Change (Opportunity)

## We will miss



High  
Price

e  
Low  
Price

- A key element in moving from leader to dominance
- A key element in moving from first class to leader
- A key element in moving from midstream to first class
- A powerful paradigm shift
- A major competitive advantage
- A significant strategic advantage
- A significant tactical advantage

# The Price of Change (Solve a Problem)

- Recovery will be impossible
- We will lose everything
- Recovery will possible but unlikely
- Recovery will be long and expensive
- We will have to shift our entire way of operating
- The price will be difficult
- Price will be a long term hassle
- There will be a brief interruption



High  
Price

e  
Low  
Price



# Types of Changes



- Evolutionary Change
- Shock Change
- Strategic Change

# How Do We Respond to Uncertainty?

We Ask Questions:

- What's happening?
- Why am I reacting like this?
- What can I do about it?

# What's Happening - Now (N)?

## The “N” Process

-1 ----- N ----- +1

- Embracing the ‘positives’ of the change Organizations jump to  $N + 1$
- Embracing the ‘negatives’ of the change people shift to  $N - 1$
- There is a sense of incongruence that can disconnect management from rank-and-file.

# Change is Stressful: Recognize symptoms of Stress

## Physical

- Getting sick more often
- Having trouble sleeping
- Feeling tired all the time
- Sleeping more than usual
- Overeating
- Loss of appetite
- Generally depressed
- Headaches

## Emotional

- On edge
- Short-tempered
- Grouchy
- Not interested in anything
- Nervous all the time
- Sad/Withdrawn

## Cognitive

- Loss of concentration
- Loss of focus
- Feel victimized
- Short-term Memory is impaired
- Molehills become mountains
- You become "stuck on the negative"

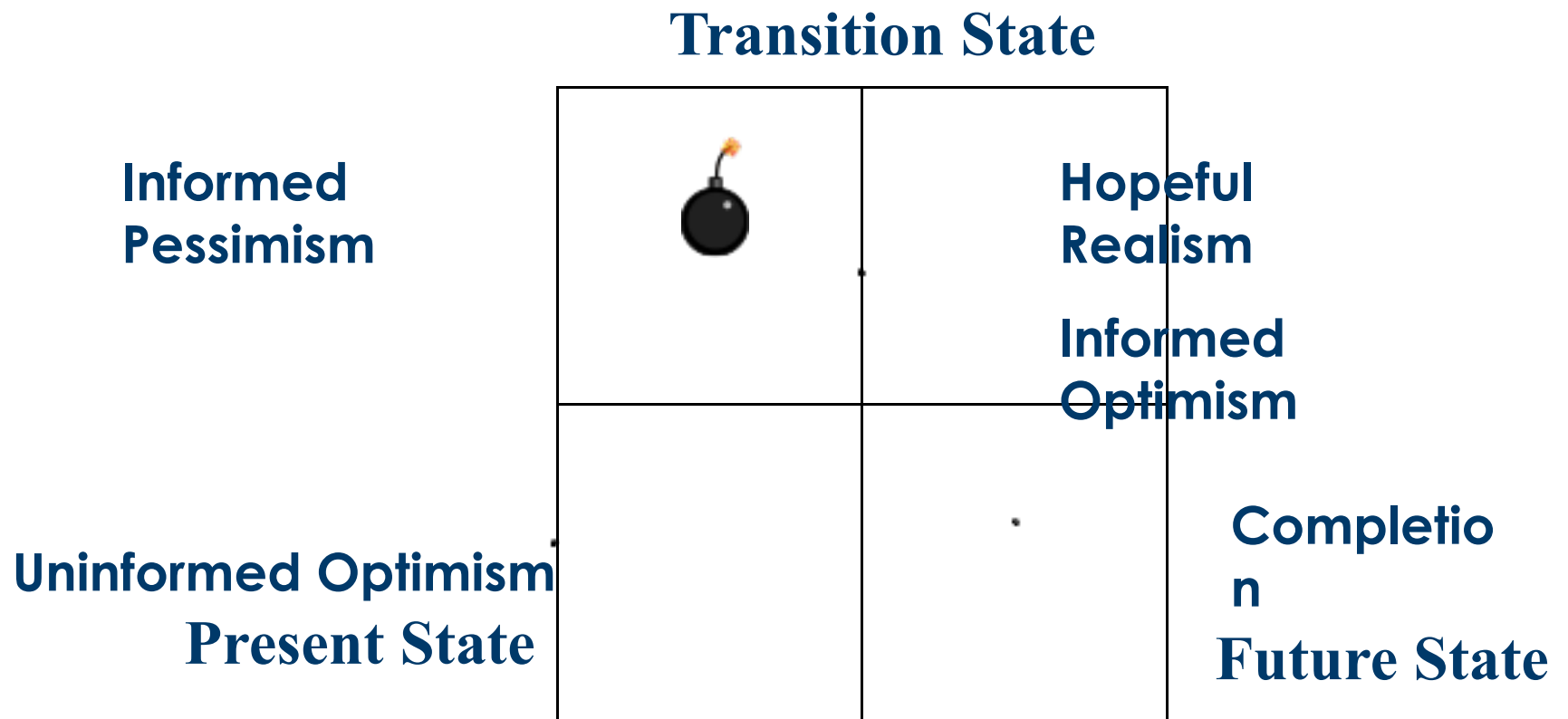
# Models for Understanding the Change Process

The Kubler-Ross Grief Cycle Model

The Scott/Jaffe “Rhythm of Change” Model

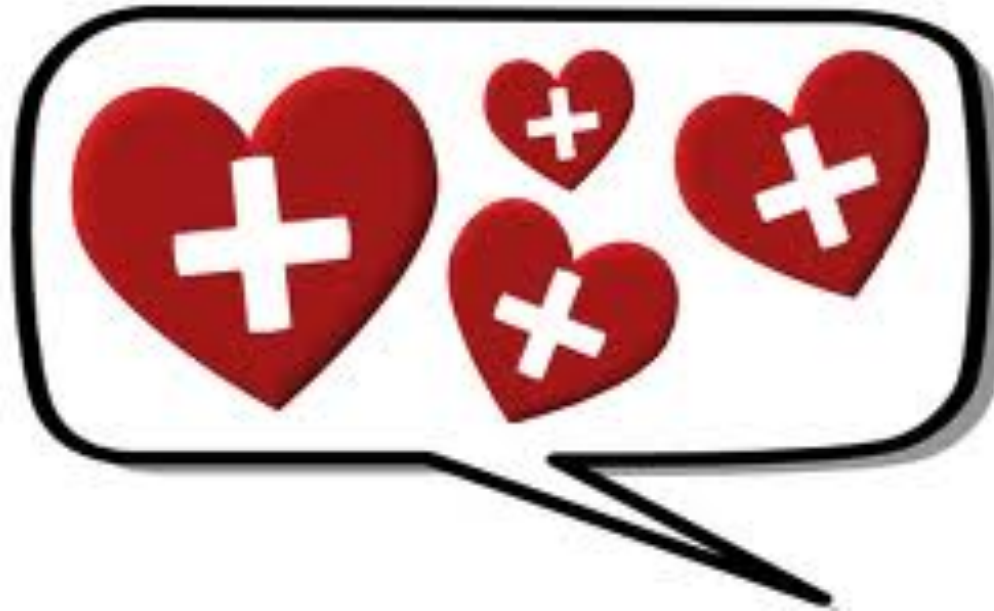
The Conner/Kelly Emotional Cycle of  
Change Model

# The Conner/Kelly Emotional Cycle of Change Model



-- Daryl Conner, Managing At The Speed of Change. (1992)

APPRECIATIVE INQUIRY



**APPRECIATIVE INQUIRY**

# *Appreciative Inquiry?*

- Suggests we look for what is working
- Results in statements describing where you want to be
- Grounded in real experience and history
  - People know how to repeat their success



# New Realities

- Problems are often the result of our own perspectives and perceptions
- If we look at a certain priority as a problem, then we tend to constrain our ability to effectively address the priority
- Knowledge is the new currency
- Whole systems can change

# AI Process

- **Appreciative Inquiry (AI)** is a process for engaging people across the system in renewal, change and focused performance.

# First Steps

- We are very good at talking about what is wrong
- Start looking at what is right and build on it
- Share examples of what it feels like to be treated with dignity and respect

# Assumptions

- Set of beliefs shared by a group
  - Causes the group to think and act in certain ways
- Explain the context of the group's choices and behaviors
- Are usually not visible to or verbalized by the participants
  - Rather they develop and exist
- Must be made visible and discussed before anyone can be sure of the group beliefs

# More Assumptions

- Something works
- What we focus on becomes reality
- Reality is created in the moment and there are multiple realities
- The act of asking questions of a group influences the group in some way

# Even More Assumptions

- People have more comfort to journey into the future when they carry forward parts of the past
- What we carry forward should be the best of the past
- It is important to value differences
- The language we use creates our reality

# Focus

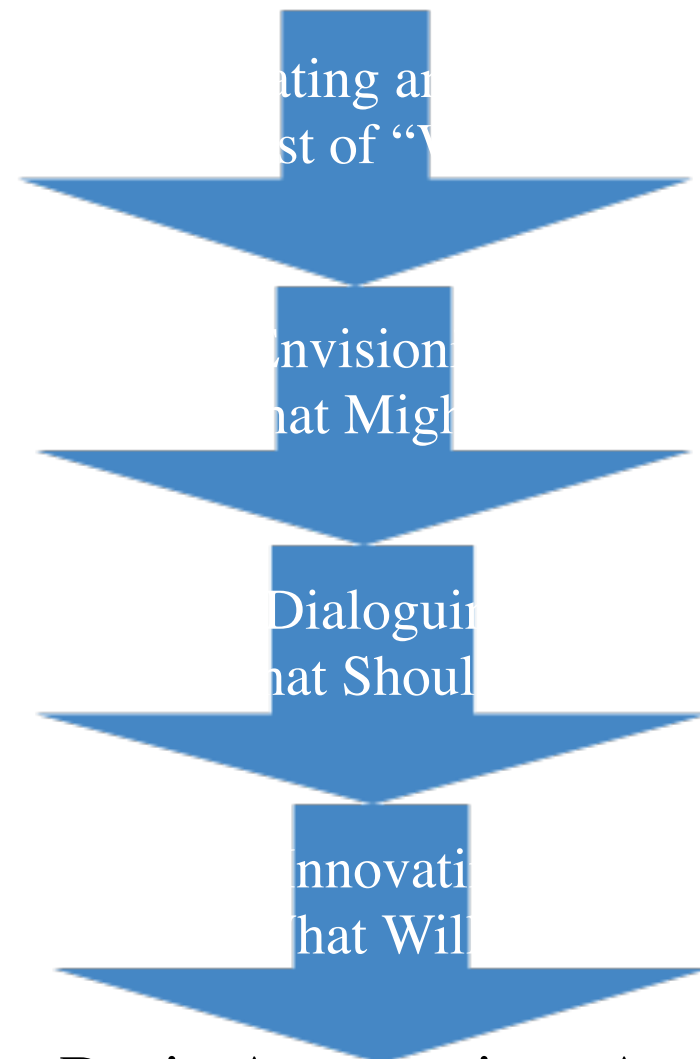
- Inquiry Focus: Do more of what works
- Problem-solving Focus: do less of something we do not do well

## Problem Solving



Basic Assumption: An Organization is a problem to be solved

## Appreciative Inquiry



Basic Assumption: An organization is a mystery to be embraced

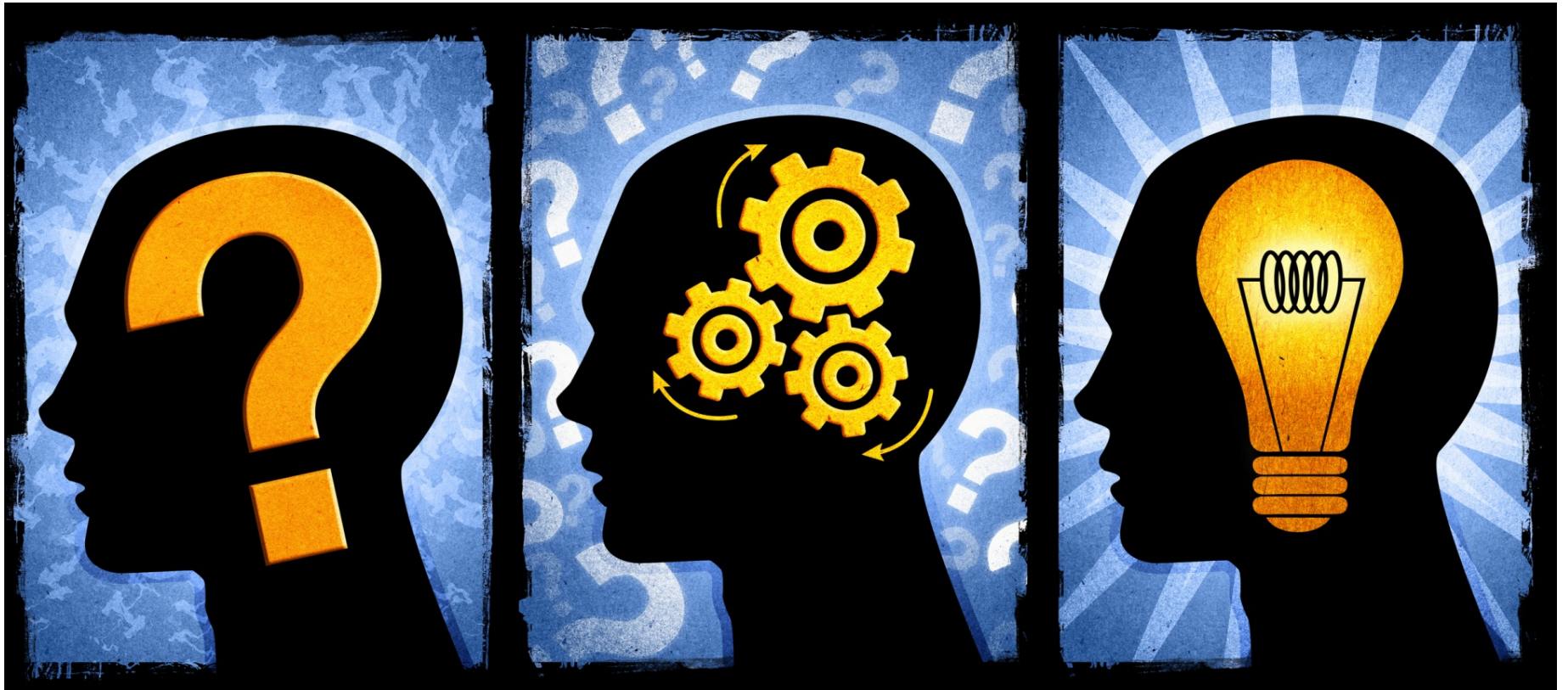


# **Problem-Based Approach**

- Process is inherently slow, limiting
- Focuses attention on yesterday
- Creates defensiveness, lack of honesty
- Promotes vocabulary of human deficit
- Often leads to fatigue rather than sustained effort

# AI: One Goal

Discovering the root cause of success



# The Process

- Begin with the topic
- Create questions to explore the topic
- Share questions and responses
  - Each person shares “best story” or most “quotable quote”
- Focus on the results of the story

# Provocative Questions

- Purpose is to keep the best at a conscious level
- They are symbolic statements
- They are grounded in history, tradition



# Building Questions

- Handout
  - Sample questions
  - Format
- Tasks
  - Develop three provocative questions
  - Describe a process for appreciative inquiry in your area
  - Role play



# Writing Provocative Questions

- Find examples of the best (from the interviews)



# Writing Provocative Questions

- Determine what circumstances made the best possible (in detail)



# Writing Provocative Questions

- Take the stories and envision what might be





# Writing Provocative Questions

- Write an affirmative statement (a provocative proposition) that describes the idealized future as if it were already happening



# Provocative, You Say?

- Is it provocative? Does it stretch, challenge, or innovate?
- Is it grounded in examples?
- Is it what we want? Will people defend it or get passionate about it?
- Is it stated in affirmative, both terms and in present tense (as if it were already happening)?

# AI Process

- The basic idea is to build organizations around what works, rather than trying to fix what doesn't.

# AI Process

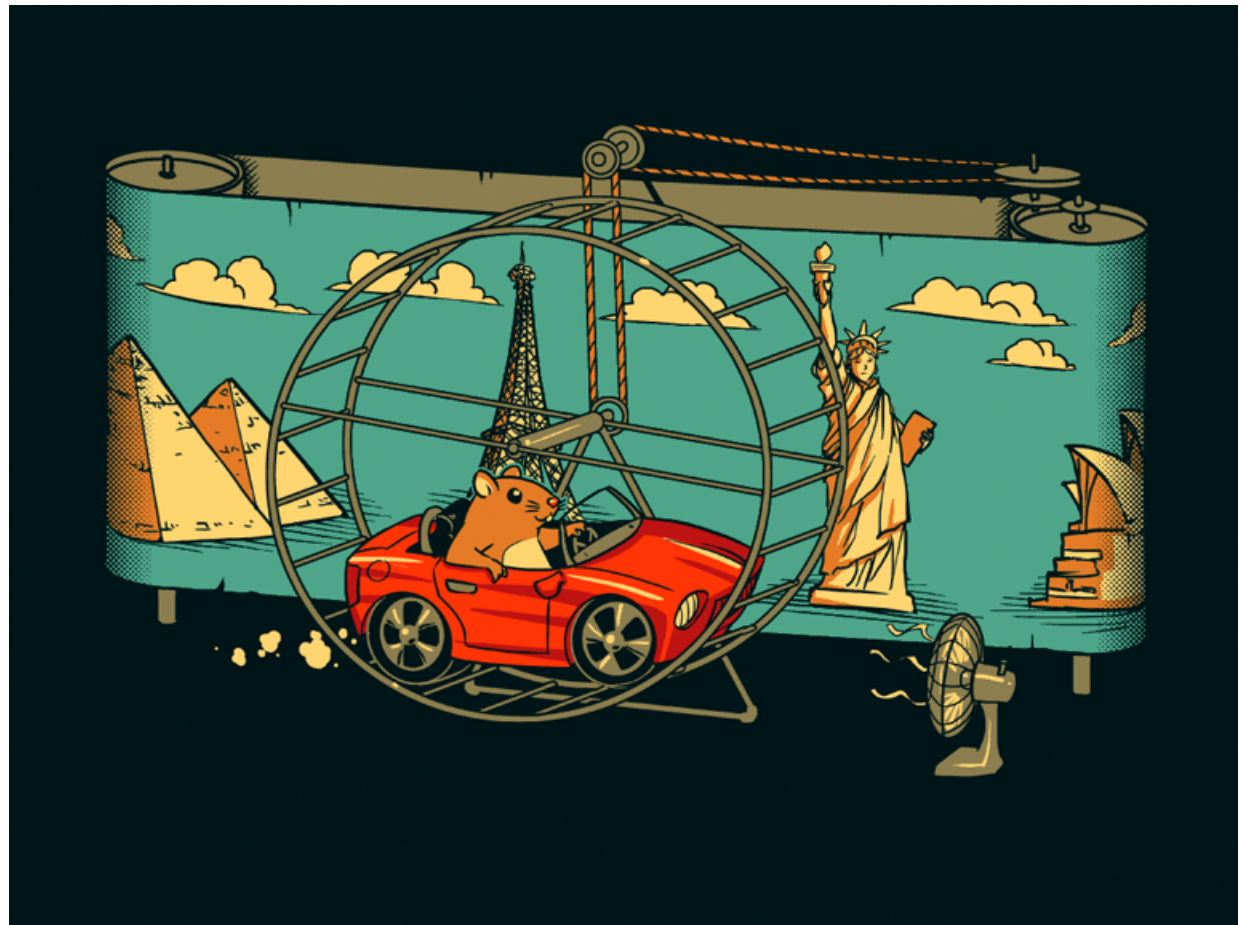
- A proven benefit of the approach is its reliance on the acknowledgement of contribution at the individual level, which leads to trust and organizational alignment.

# AI Process

- The method creates meaning by drawing from stories of concrete successes and lends itself to cross-industrial social activities.

# AI: Two Laws

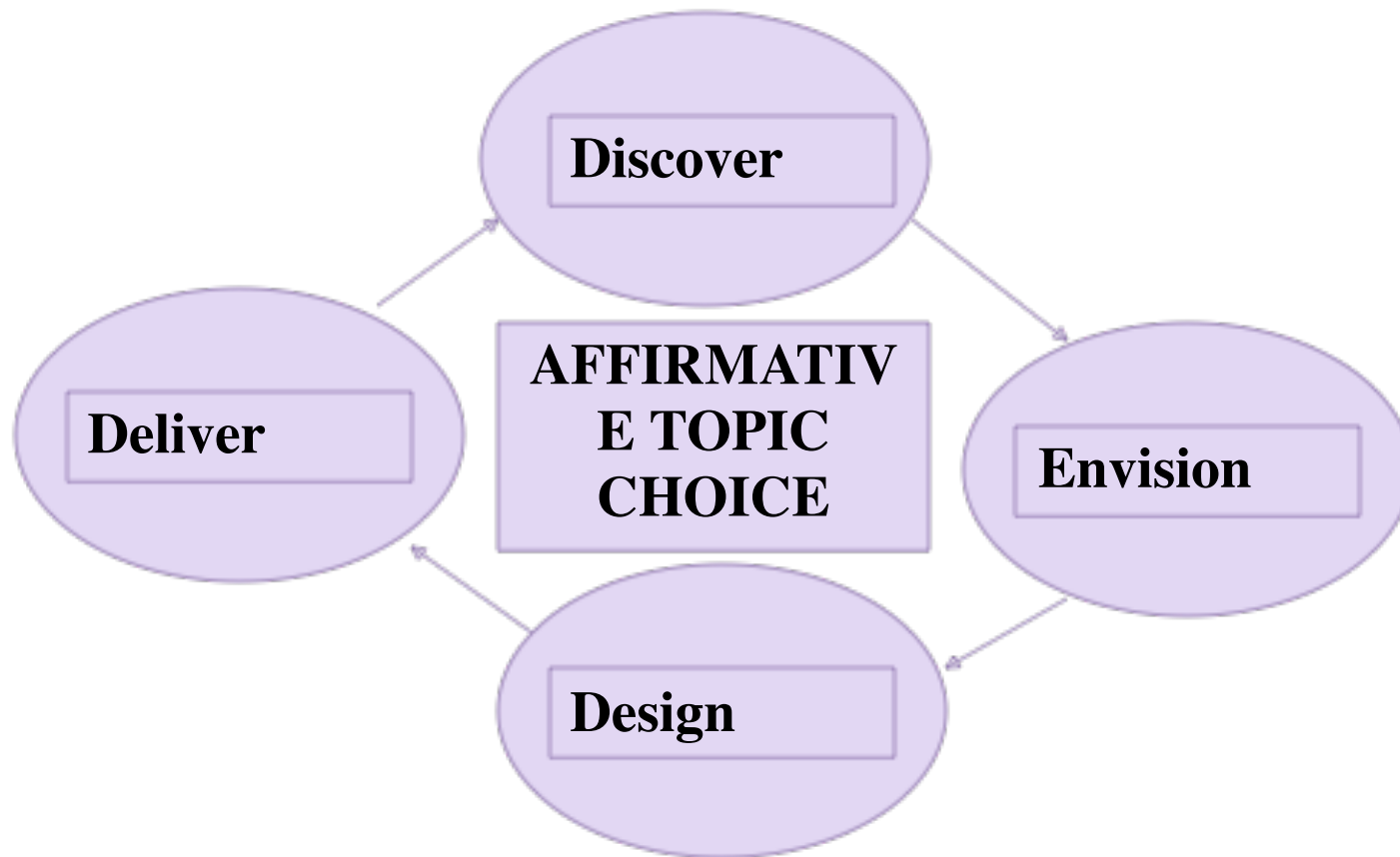
1. What you seek is what you find.
2. Where you believe you are going is where you will end up.



# **AI: Three Principles**

1. Change starts the minute you begin asking questions
2. Positive images of self lead to positive action
3. Negative images of self lead to negative action

# The AI Change Process





# AI Change Process

- Appreciative Inquiry utilizes a 4-stage process focusing on:
- **DISCOVER:** The identification of organizational processes that work well.
- **DREAM:** The envisioning of processes that would work well in the future.
- **DESIGN:** Planning and prioritizing processes that would work well.
- **DELIVER** (or **CREATE**): The implementation (execution) of the proposed design.

# **Affirmative Topic Choice**

- Set conversations in affirmative terms.
- Provoke bold ideas on 4-5 topics.
- Demonstrate an authentic desire to learn, discover, grow.
- Evoke dialogue about desired future.

# Selecting Affirmative Topics

Based on your review of the climate study findings, what things, if changed, would move your organization closer to becoming an ideal organization in which to work?

*(State these things in the present tense)*

# AI Interview Protocol

## FOUR KEY FACETS

- High Point / Peak Experience
- Things Valued Most About...
- Core Factor that Gives Life to Organization
- Images of Future Possibility

# Typical Decision Points

- What topics to select?
- Who is involved?
- How many appreciative interviews?
- How do we want to engage people in the dream and design phases?

Affirmative  
topic choice



**Discovery**  
"Appreciate  
what is"

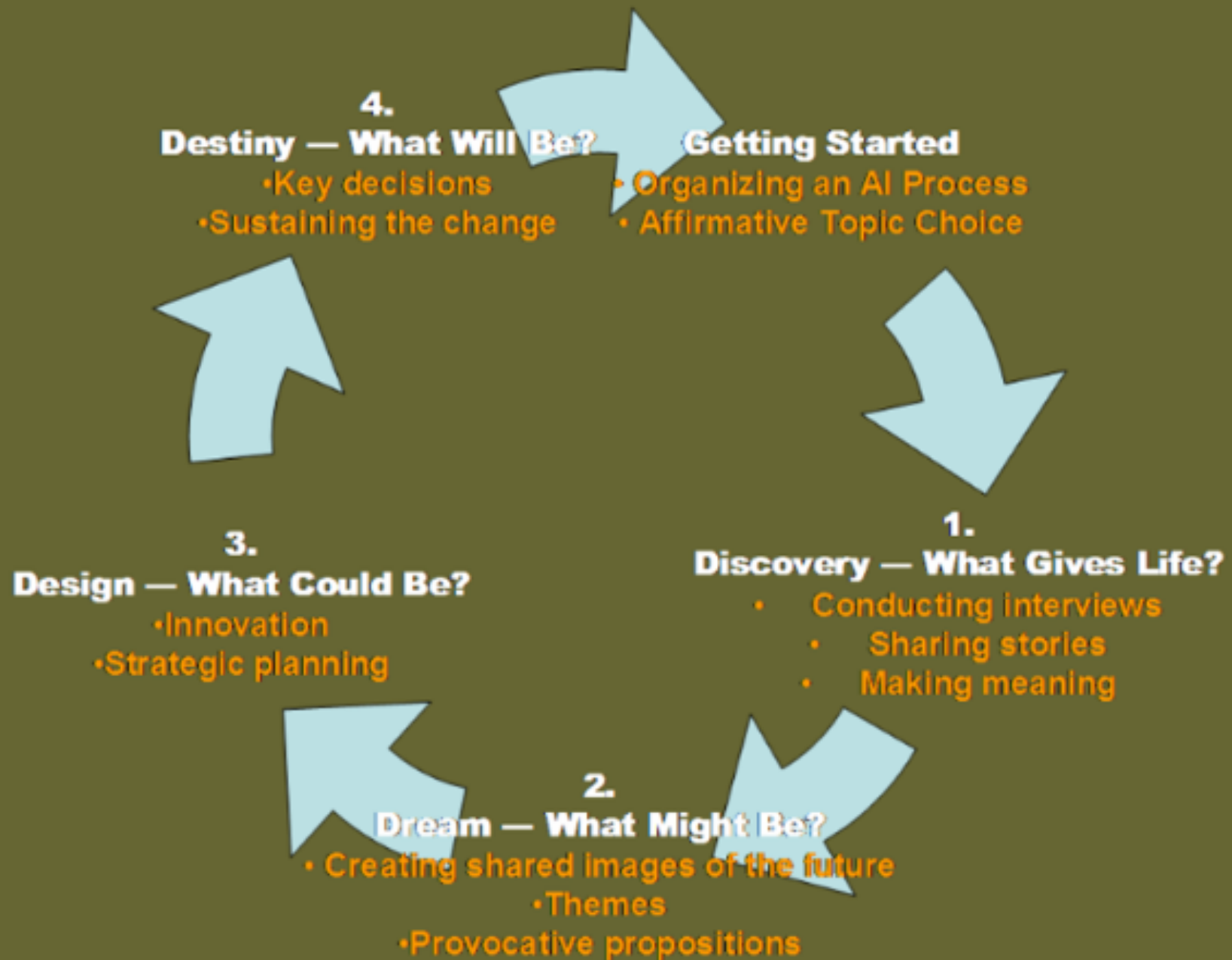
**Destiny**  
"Create what  
will be"

**Positive  
Core**

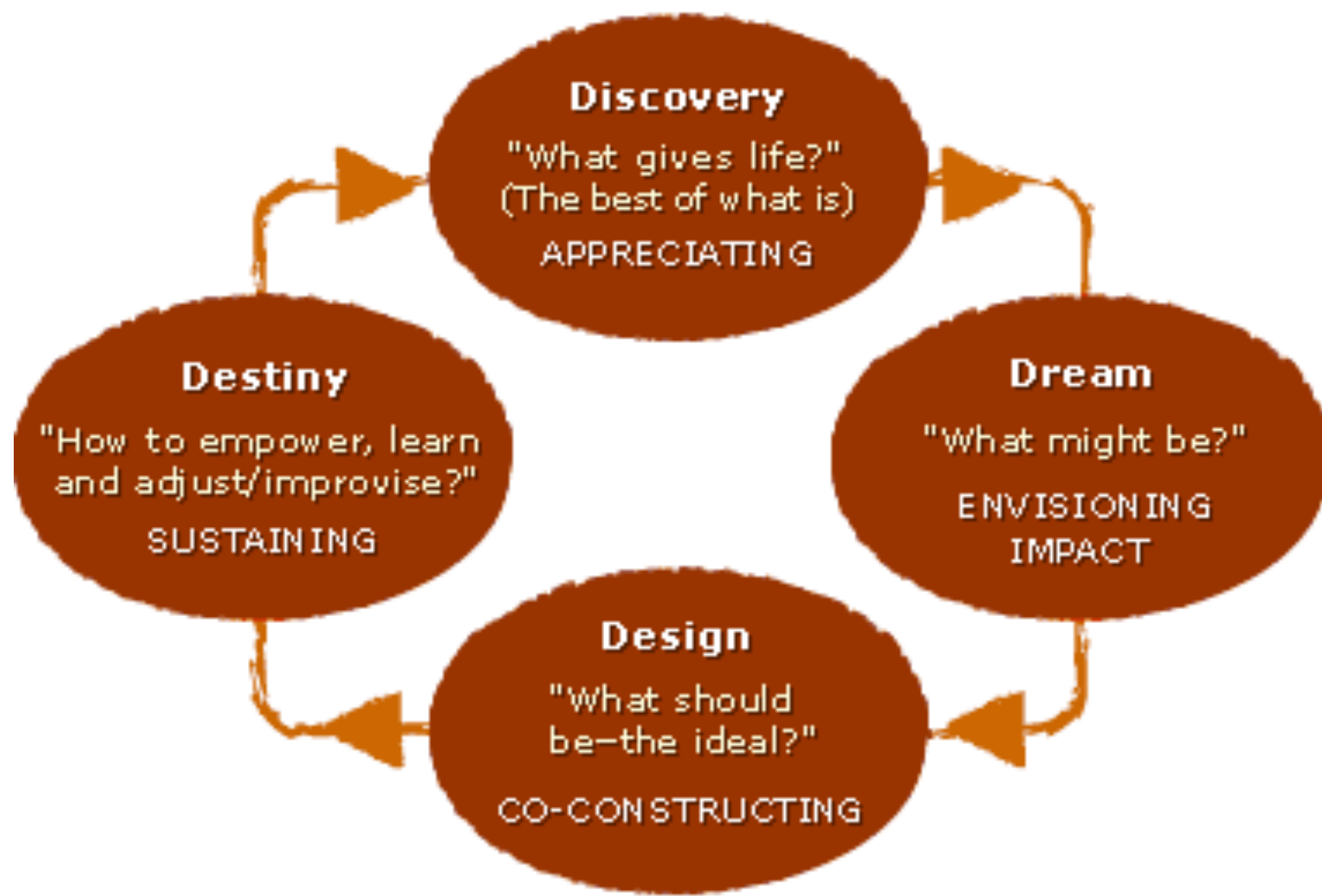
**Dream**  
"Imagine what  
might be"

**Design**  
"Determine what  
should be"



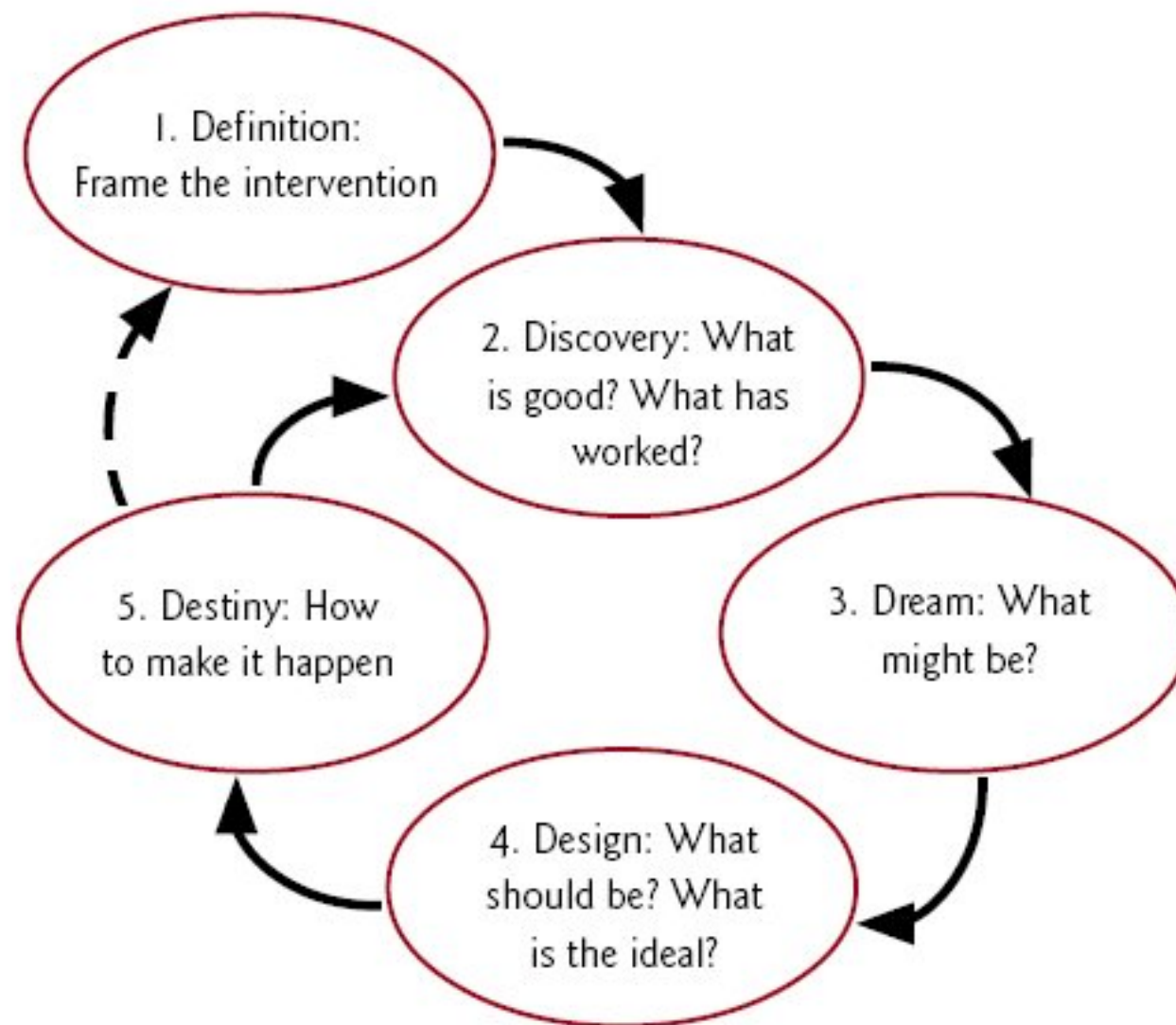


# The Appreciative Cycle

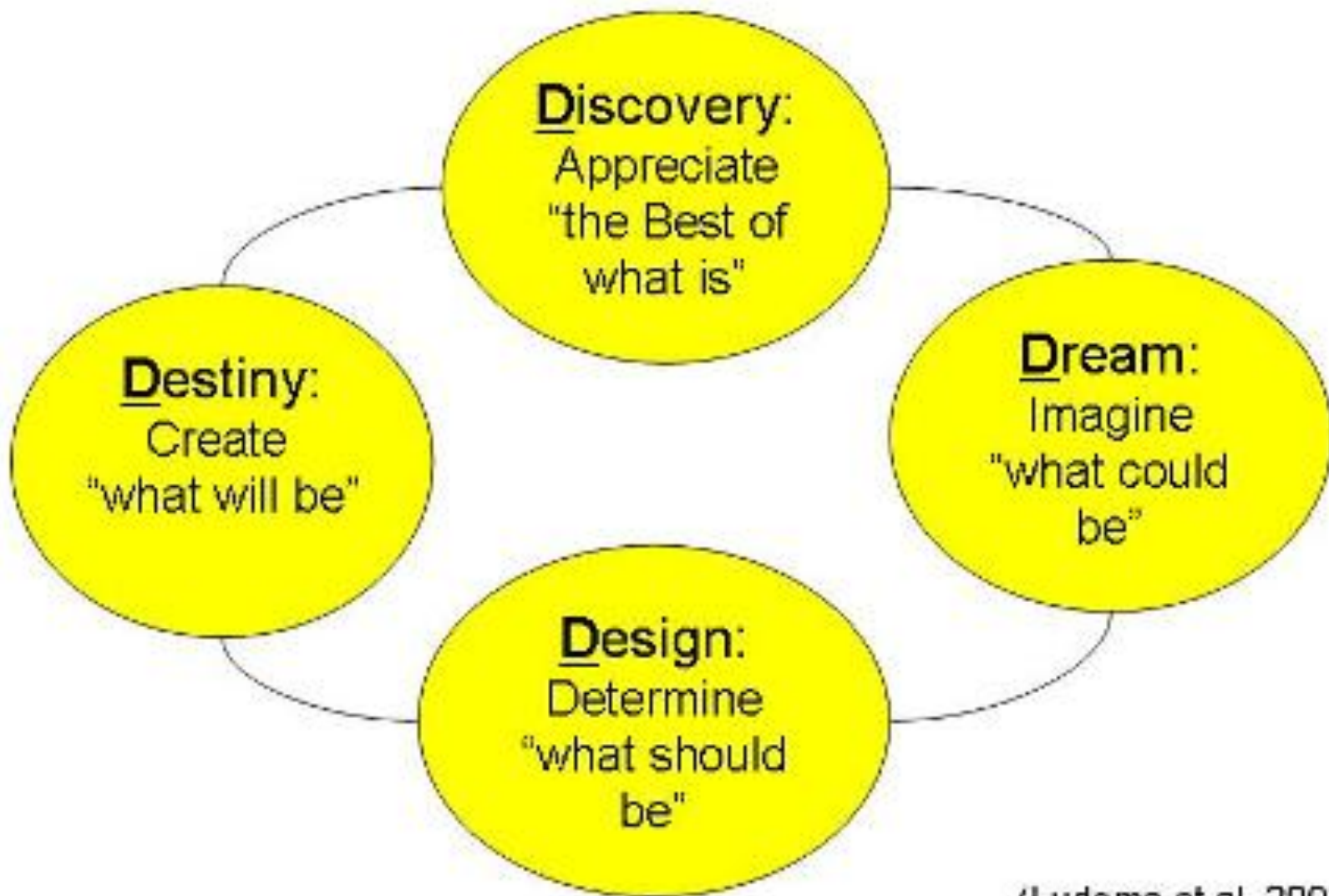








**Figure 1. The appreciative inquiry '5-D' model (see Cooperrider et al., 2003; Watkins and Mohr, 2001; Whitney and Trosten-Bloom, 2003 and the AI Commons website)**



(Ludema et al, 2003, p. 10)

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**ACTIVITY**

# Activity

- From your previous activity
  - Identify an appreciative interview
  - Develop a series of questions for the interview

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**PUTTING IT TOGETHER**

# Prosci Change Management Model

- Prosci
  - Is a nationally recognized research and development company that specializes in bench-marking change management best practices
  - Has made a significant step forward in the integration of organizational change management and project management
  - Released its Change Management Process
    - Following eight years of research with over 1000 organizations

# Prosci Change Management Model

- Built into the process are scalable and flexible components for customizing OCM activities to the specific organizational change being implemented
  - ADKAR (Awareness, Desire, Knowledge, Ability, Reinforcement) system for working through change
- Includes
  - Tools to perform organizational analysis
  - Templates which can be customized to aid the process of preparing organizations for change
- Prosci was reviewed and approved as a Registered Education Provider of training by the Project Management Institute (PMI)



# Lewin's Dynamic Stability Model

- Refers to “unfreezing, changing, and refreezing”
  - It gives rise to thinking about a staged approach to changing things. Looking before you leap is usually sound practice.
- Using Lewin's approach as a starting point
  - Most change associated with projects comes from the envisioning of some future state yet to be realized
  - To arrive at the “to be” state, it is important to understand the “as is” state.